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**FISCAL IMPACT STATEMENT**

**LS 6204**

**BILL NUMBER:** HB 1236

**NOTE PREPARED:** Nov 14, 2002

**BILL AMENDED:**

**SUBJECT:** Passenger Vehicle License Plates.

**FIRST AUTHOR:** Rep. Duncan

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:**    **GENERAL**  
                          **X DEDICATED**  
                          **FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** This bill revises the definition of "passenger motor vehicle" to include a truck with a declared gross weight not to exceed 7,000 pounds in certain circumstances.

**Effective Date:** July 1, 2003.

**Explanation of State Expenditures:** For the Bureau of Motor Vehicles (BMV), there will be extensive computer changes required to accomplish this proposal. Currently, the BMV registration system does not allow a vehicle titled as a TK (truck) to be plated with a passenger motor vehicle license plate. (This part of the fiscal note will be updated upon receipt of the necessary data and whether or not the feature to register a truck as a passenger motor vehicle will be included in the new computer system being developed by the BMV.)

**Explanation of State Revenues:** Currently, the fee to register a truck with a declared gross weight of 7,000 lbs. or less is \$29.75. The fee to register a passenger motor vehicle is \$20.75. The specific impact will depend upon the number of owners of pick-up trucks who elect to have their truck registered as a passenger motor vehicle. In CY 2001, the most recent year for registration data., 1,236,227 trucks with a declared gross weight of 7,000 pounds or less were registered. If all elected to register as a passenger motor vehicle, there would be an annual revenue loss to various funds of approximately \$11.1 M.

The following table shows the current distribution of the registration fee and the resulting net loss to each fund for each truck that would be registered as a passenger motor vehicle.

Vehicle Type	Total	Primary		Local		Public Safety Fee	Crossroads 2000 Fund	Technology Fund	BMVC**
		MVHA*	Road and Street	Road and Street					
Passenger	\$20.75	\$10.75	\$0.00	\$0.00	\$0.25	\$3.00	\$0.50	\$6.25	
Truck	29.75	15.25	1.93	1.57	0.25	4.00	0.50	6.25	
Difference	(\$9.00)	(\$4.50)	(\$1.93)	(\$1.57)	\$0.00	(\$1.00)	\$0.00	\$0.00	

\*Motor Vehicle Highway Account

\*\*Bureau of Motor Vehicles Commission

In addition, if the trucks in this proposal were to be registered as passenger motor vehicles, they would be included in the distribution of the Local Road and Street Account. Currently, the Local Road and Street Account distributions include only passenger motor vehicles. In FY 2002, approximately \$76.7 M were distributed through the Local Road and Street Account. Factoring in the trucks which might be registered as passenger vehicles and the resulting reduction in the amount going to the Local Road and Street Account (\$1.57 per vehicle, or a total reduction of \$1,940,876), approximately \$2.968 M would have been shifted to those counties with more pick-up trucks in relation to the total number of passenger cars and pick-up trucks registered.

The specific impact will depend upon the number of pick-up trucks which would now be registered as passenger motor vehicles.

#### **Explanation of Local Expenditures:**

#### **Explanation of Local Revenues:**

**State Agencies Affected:** Bureau of Motor Vehicles; Bureau of Motor Vehicles Commission; Department of Transportation.

**Local Agencies Affected:** Those units who receive distributions from the Local Road and Street Account and the Motor Vehicle Highway Account.

**Information Sources:** Bureau of Motor Vehicles registration and distribution data; Jane Morrical, Director of Treasury of the Bureau of Motor Vehicles, 232-2822.

**Fiscal Analyst:** James Sperlik, 317-232-9866